#### **ELLIS: LAWHORNE**

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February 16, 2005

#### VIA ELECTRONIC AND 1ST CLASS MAIL SERVICE

The Honorable Charles L.A. Terreni **Executive Director** SC Public Service Commission P.O. Drawer 11649 Columbia, SC 29211

RE:

Application of Nationwide Professional Teleservices, LLC for a Certificate of Public Convenience and Necessity to Provide Resold

Intrastate Interexchange Telecommunications Services Within the State of

South Carolina

Docket No. 2004-283-C, Our File No. 932-10267

Dear Mr. Terreni:

Enclosed is the original and twenty-five (25) copies of the Testimony of Sheri Lutich filed on behalf of Nationwide Professional Teleservices, LLC in the above-referenced docket.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it via the person delivering same.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

John J. Pringl, J.

JJP/cr

cc:

Ms. Sheri Lutich [via first-class mail service]

Ms. Monique Byrnes [via first-class mail service]

Office of Regulatory Staff Legal Department [via first-class mail service]

Enclosures

 $G: APPS \setminus OFFICE \setminus WPWIN \setminus WPDOCS \setminus ITelecom\ Applicants \setminus EVERY CALL\ COMMUNICATIONS \setminus duke sapp.wpd$ 

#### BEFORE THE STATE OF SOUTH CAROLINA PUBLIC SERVICE COMMISSION

In re: Application of	)	
Nationwide Professional Teleservices, LLC	)	
for a Certificate of Public Convenience	)	
and Necessity to Provide Intrastate Resold	)	Docket No.: 2004-283-C
Interexchange Telecommunications Services	)	
Within the State of South Carolina	)	

Nationwide Professional Teleservices, LLC ("Nationwide Professional Teleservices")

**Prefiled Testimony of** 

Sheri Lutich, President

- 1 Q. Will you please state your name and business address.
- 2 A. My name is Sheri Lutich. My business address is 14001 63<sup>rd</sup> Way, Clearwater, Florida 33760.

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4 Q. By whom are you employed and in what capacity?

- 5 A. I am the President of Nationwide Professional Teleservices, LLC.
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  7 Q. Please give a brief description of your background and experience.
- A. I am responsible for overseeing the company's operation and strategic direction. I have been involved in the telecommunications business since 2001. I previously served as Director of Marketing for Protel Communications where I handled all sales, as well as managed and maintained existing accounts. In 2001, I was Director of Sales for Group One Networks where her responsibilities included List Acquisitions and the management and sale of Data Files. In these roles, I have played a key role in developing and directing marketing strategies in the communications industry.
- 1415 Q. What is the purpose of your testimony?

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- 16 A. The purpose of my testimony is to present evidence describing the technical, managerial and financial
  17 fitness of Nationwide Professional Teleservices to provide resold interexchange telecommunications
  18 services in South Carolina. This testimony will also describe the services proposed by Nationwide
  19 Professional Teleservices and the proposed tariff structure. Finally, the purpose of my testimony is to
  20 show that the public interest will be served by approval of the application of Nationwide Professional
  21 Teleservices for a certificate of public convenience and necessity.
- Q. Has Nationwide Professional Teleservices registered to do business in South Carolina?
- 24 A. Yes. Nationwide Professional Teleservices, LLC received foreign corporation authority on August 25, 2004.
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   27 Q. Please explain the Company's corporate structure.
- A. Nationwide Professional Teleservices, LLC is a limited liability corporation organized in Florida on August 5, 2004.

- Q. Please describe the services Nationwide Professional Teleservices proposes to offer.
- A. Nationwide Professional Teleservices intends to provide telecommunications service throughout the state of South Carolina. The Company's service offering is an unlimited long distance service plan that allows Customers to place an unlimited number of intrastate and interstate toll calls for a flat rate per month. Calls are placed via a toll free access number. The plan does not require that the Customer be presubscribed to the Company, nor does it require an authorization code. The plan only requires that the calling number be recognized as belonging to a Subscriber. Service will be provided twenty-

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Service is provided through the Company's underlying carrier that has been selected for the best combination of quality and price. Nationwide will ensure that all underlying carriers it uses hold appropriate certification issued by this Commission. The underlying carrier must identify the ANI of the Nationwide Professional Teleservices Customer in order to complete the call.

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- Does Nationwide Professional Teleservices own any network switches or transmission facilities used in routing calls?
- 17 A. No.

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19 Q. How will Nationwide Professional Teleservices bill for its services?

four (24) hours per day, seven (7) days a week.

A. Customers will have the option not to receive monthly bills. To the extent that Commission Rule 103-622 requires that the Company provide customers with monthly bills, the Company seeks a waiver of that rule. Customers provide the company with banking information, and the flat monthly charge shall be deducted monthly from the customer's bank account. The service provided by the carrier is access code dialing only (not presubscribed service). Customers will receive information from the Company on how to use the service. The information package will contain the Company's toll free number.

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- Q. How are trouble reports, billing errors and complaints handled?
- A. Nationwide Professional Teleservices utilizes a nationwide toll-free number (877) 819-3025 for customer service. Customers may call that number Monday through Friday, 8 AM to 5 PM Eastern Standard Time. After hours emergencies are handled by voicemail, and are called back the next business day.

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1	Q.	Describe the proposed Nationwide Professional Teleservices' South Carolina tariff.
2	Α.	Nationwide Professional Teleservices has included a proposed interexchange tariff which contains the
3		rules, regulations and rates for Nationwide Professional Teleservices' interexchange services as
4		Exhibit V to the Company's application.
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6	Q.	Where is Nationwide Professional Teleservices currently certificated?
7	A.	Nationwide Professional Teleservices has received authority to provide telecommunications services
8		in Florida, Indiana, New Jersey, and Texas. The Company is currently in the process of filing for
9		certifications nationwide. Nationwide Professional Teleservices is not affiliated with any other
10		telecommunications provider, and has never had an application for authority denied or revoked.
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12	Q.	Describe Nationwide Professional Teleservices' financial ability to operate as a
13		telecommunications reseller.
14	A.	Nationwide Professional Teleservices has submitted its opening Balance Sheet to show it has the
15		financial resources to operate successfully as a telecommunications reseller to consumers in South
16		Carolina. The Company's Balance Sheet is included as Exhibit IV of its Application.
17		
18	Q.	Do you believe Nationwide Professional Teleservices is capable of delivering its proposed
19		services in South Carolina?
20	A.	Yes, in addition to having sufficient financial resources, Nationwide Professional Teleservices has a
21		team of experienced managers. Brief resumes of key personnel are included as Exhibit III to the
22		Company's application.
23	_	The services intend to offer its services
24	$\mathbf{Q}_{\mu}$	Where in South Carolina does Nationwide Professional Teleservices intend to offer its services
25		and how will those services be offered?
26	. <b>A</b> , -	Services will be offered to residential customers through direct telemarketing. A copy of the
27		Company's telemarketing script is attached hereto as Exhibit A. The Company intends to offer its
28		services statewide.

	Q.	Is the Company seeking exemptions from any of South Carolina's regulatory requirements?
2	A.	Nationwide Professional Teleservices requests a waiver of the requirement of 26 S.C. Reg. 103-610
3		that a carrier keep all records required by the Commission's rules and regulations within the State of
1		South Carolina. Since the Company's corporate office is in California maintaining its books and
5		records in South Carolina would be unduly burdensome. Nationwide Professional Teleservices will
ó		have a registered agent in South Carolina and will bear any costs associated with the Commission's
7		inspection of its books and records. As set forth above, to the extent that Commission Rule 103-622
3		requires the Company to provide customers with monthly bills, Nationwide Professional Teleservices
)		requests a waiver of this rule.

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Further, Nationwide Professional Teleservices also seeks an exemption for any policies that might require a carrier to maintain its financial records in conformance with the Uniform System of Accounts ("USOA"). As a competitive carrier, Nationwide Professional Teleservices maintains its books in accordance with Generally Accepted Accounting Principles ("GAAP"); and therefore, does not possess the detailed cost data required by USOA.

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- Will the Company comply with all applicable statutory and regulatory requirements of the State of South Carolina and this Commission?
- 19 A: Yes.

Q:

- 20 Q: Will the Company file all applicable reports as required by the Commission?
- 21 A: Yes. The Company is aware of the Commission's requirements that all telecommunications carriers 22 file a report on South Carolina operations, a gross receipts report, and a universal service contribution 23 report on an annual basis.

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- Q. How will South Carolina consumers benefit from Nationwide Professional Teleservices' services?
- A. Certification of Nationwide Professional Teleservices will increase the level of long distance competition in South Carolina. Nationwide Professional Teleservices offers quality long distance services at competitive prices. In addition, Nationwide Professional Teleservices' marketing plan will expand subscriber awareness of options and services available to them, thus encouraging the growth and success of competitive services.

- 1 Q. Does this conclude your testimony?
- 2 A. Yes.

## **EXHIBIT A**

# Nation Wide Professional Teleservices

Hello, this is with Nationwide Professional Teleservices. How are you today? We're contacting (STATE) residents today who are spending more than \$20.00 a month on their phone bills. You're still spending more than \$20.00 a month on your phone bill, correct?
Great Mr. / Mrs, Nationwide Professional Teleservices would like to introduce you to a new unlimited long distance product which also includes dial up unlimited internet access and 800 access voice mail. The service is available to you by dialing an 800 number and allows you to place long distance calls within the state or to anywhere within the United States for a single monthly charge.
Mr / Mrs would you like to subscribe to this service?
(IF NO) You do understand that you do not have to change your long distance carrier in order to take advantage of this unlimited long distance, voice mail and internet service offering.
(IF NO) Thank you for your time. Should you reconsider, please contact Nationwide Professional Teleservices at
(IF YES) Thank you. I will set you up for a 14 day risk free trial of the service. Within the next 3-5 days you will receive your Welcome Package and have a chance to look everything over. After your 14-day trial you will be charged \$39.95 per month, plus the one-time set up fee of \$19.95 for as long as you remain a customer.
Great, for your convenience we either charge the monthly fee to your checking account or the monthly fee can appear on your local telephone bill. Should you not cancel in 14-days what method of payment would you prefer?
Check Payment:  1. I want to confirm your mailing address as correct?  2. And your home phone number is correct?  3. And the name of your bank is?  4. Want name appear on the account?  5. Are you an authorized signer?  6. Please look to the bottom of the check and read all the numbers left to right Revised 10/7/2004

### Nation Wide Professional Teleservices

LEC Bill:
1. I want to confirm your mailing address as correct?
2. And your home phone number is correct?
3. Are you 18 years of age or older and authorized to make changes and or incur
charges on phone number?
Mr. / Mrs please remember if you decide the service is not for you, call and cancel within the 14-day period and you will not be billed.
Please write down our customer service number.